

**To: Board of Governors of the  
Federal Reserve System**

**REF: Docket No. R-1286**

**Dear Sir:**

My name is Karl T. Murphy and I am the President/CEO of FirstLight Federal Credit Union. I have been with the Credit Union for over twenty-three years and would like to provide comments and concerns about the proposed changes to Regulation Z.

The current system for lending has been in place for over 25 years and seems to be working fine. The process is very convenient and important way of doing business with our members. If the system changes will it will cause major changes in how the Credit Union does business and will impact our members negatively. FirstLight FCU is a community chartered credit union but we have the majority of our members coming from both the military community of Fort Bliss and the educational community of NMSU and the public school system. Over 30 percent of my members live outside the El Paso/Las Cruces area. Those in the military and the educational community who have either left the area temporarily or permanently rely on this method of lending. To impose additional hardships on members that are being recommended will greatly disrupt the process for the members and our internal processes. At a time where convenience is important to our members, this would have a strong negative impact.

Our members already get an adequate number of disclosures under the current system and we have not received any complaints about the current disclosures or processes used with this type of lending. In fact, we have received positive comments over the years about it being easier and more convenient for our members. Ultimately, changes will create more unnecessary paperwork, increased costs and complaints from our members about the new requirements.

As stated earlier, I do not believe that the recommended changes provide any additional benefit to our member or the consumer. In fact, I believe it will create undue hardships on both the lender and borrower. These changes will impact the members reliance upon the current practice, make it inconvenient to borrow from the Credit Union and ultimately increase costs that must be passed on to the consumer. At a time of concerns with high interest rates and its impact on the consumer, credit unions have been striving to provide a much better alternative to our members.

I would appreciate your consideration of these comments in your decision. If you have further questions, please contact me at 915-564-3203.

Sincerely,

Karl T. Murphy

President/CEO

FirstLight FCU